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Central Intelligence Agency



Washington D.C. 20505

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20 SEP 1983

MEMORANDUM FOR:

FROM : E. Wayne Boring  
Director of Scientific and Weapons Research  
SUBJECT : Transmittal of Intelligence Analysis

As you requested, the attached memorandum provides information  
on the civil space programs of  France,   
 and the areas where these  
programs can compete economically with the United States' space  
program.

E. Wayne Boring

Attachment: As Stated (Memorandum on Economic Competition to the US)

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Washington, D.C. 20505

DIRECTORATE OF INTELLIGENCE

19 September 1983

ECONOMIC COMPETITION FACING THE UNITED STATES FROM THE SPACE  
PROGRAMS OF [redacted] WESTERN EUROPE, [redacted]

Summary

During the remainder of the century, the US space effort will face increasing economic competition from [redacted] the European Space Agency. This competition will occur in four areas:

\* Launch Services. The European Space Agency (ESA) will be NASA's primary foreign competitor through the 1980s with the Ariane family of expendable launch vehicles.

\* Communication Satellites. [redacted] France, [redacted] will all be strong competitors in the communications satellite arena.

\* Remote Sensing Satellites. France will be the primary competitor, with its SPOT high-resolution civil imaging satellite.



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### THE FRENCH SPACE PROGRAM

France is the leader in space development in Europe. The French national space agency, CNES, is the largest such organization in Europe. CNES operates the most complete and elaborate facilities, and is competing aggressively for the space services and products markets. France has the largest European space budget, \$300 million, not including its contribution to ESA. France has won the contract for the Arabsat communications satellite, and is building the SPOT remote sensing satellite. We believe France is likely to capture a small share of the communications satellite market and a large share of the remote sensing market.

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Although France no longer has a domestic satellite launch vehicle, it is heavily involved with the ESA Ariane space launch vehicle. Arianespace, a semi-private firm which operates and markets the Ariane launch vehicle, is essentially a French firm, and France has supplied about 70 percent of the funding for Ariane. The French initiated the Ariane program, and French companies are heavily involved, building the first and third stages and other systems. Aerospatiale is the prime contractor on Ariane systems, and four additional French firms have subcontractor roles. [redacted]

France has either started or been responsible for the continuance of such ESA satellite programs as the Meteosat meteorological satellites, and the OTS and ECS communications satellites. France has also been the prime mover for the French/West German collaboration on the TV Sat/TDF-1 direct-broadcast satellites. The French aerospace company, Aerospatiale, with a US aerospace corporation as its partner, will build the Arabsat communications satellite. Matra is the prime contractor for the French domestic telecommunications satellite, Telecom-1. Thomson CSF will provide the communications payload. [redacted]

If its current program is successful, France should capture a significant share of the market for remote sensing satellite imagery. France has been most aggressive in developing a remote sensing satellite program, called SPOT, and in developing a market for the satellite data. Simulated SPOT data from aircraft are being marketed to acquaint potential users with the characteristics of SPOT imagery. SPOT is scheduled to be launched in 1985, and is to be operated by a French-subsidized company, SPOT-IMAGE. SPOT-IMAGE will offer imagery with a much higher resolution than US Landsat imagery, but at comparable prices. There are currently no plans to launch additional Landsat satellites after the launch of Landsat D-Prime in 1984. In the event of a loss of Landsat imagery, France would achieve a stranglehold on the world market. [redacted]

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